

January 2023 Risk update

V0.1

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Gemserve

JANUARY OBSERVATIONS

- 5 risks carried forward from December 2022
- 3 risks scheduled for January 2023

UNREGISTERED SUPPLY POINTS



- **4% decrease** in Value at Risk across 2021-22.

Est VAR – Dec 2021 (GWh)	Est VAR – Oct 2022 (GWh)
Most Likely	Most Likely
~126	~121

- The number of Unregistered SPs continues to decrease month on month with a 5% decrease seen in the period Dec '21 to Oct '22
- The site average AQ volume across this period has also decreased by a figure of 4%
- The net effect of these reductions is an overall decrease in VAR calculated



- Risk rating in register remains 3 (Medium Priority)

- **PAFA Recommendation;** No further action is proposed at this juncture. Review at next refresh point (June 2023)



SHIPPERLESS SUPPLY POINTS



- **21% decrease** in Value at Risk across 2021-22.

Est VAR – Dec 2021 (GWh)	Est VAR – Oct 2022 (GWh)
Most Likely	Most Likely
~55	~43

- There has been a 17% decrease in the number of Shipperless SPs in the period Dec '21 to Oct '22
- The site average AQ volume across this period has also decreased by a figure of 5%
- The net effect of these reductions is an overall decrease in VAR calculated



- Risk rating in register remains 2 (Lower Priority)

- **PAFA Recommendation;** No further action is proposed at this juncture. Review at next refresh point (June 2023)

METER BYPASS



- **12% decrease** in Value at Risk across period Apr – Oct '22.

Est VAR – Apr 2022 (GWh)	Est VAR – Oct 2022 (GWh)
Most Likely	Most Likely
~206	~182

- There have been large step changes in AQ values where a bypass is fitted in two open and closed status categories
- 45% reduction in associated AQ for open bypass (1 category)
- 63% reduction in associated AQ for closed bypass (1 category)
- The net effect of such reductions is an overall decrease in VAR calculated



- Risk rating in register remains 3 (Medium Priority)

- **PAFA Recommendation**; No further actions or suggested recommendations at this juncture. Review at next refresh point (June 2023)

LINE IN THE SAND (LIS)



- **11% increase** in Value at Risk across period Mar – Oct '22.

Est VAR – Mar 2022 (GWh)	Est VAR – Oct 2022 (GWh)
Most Likely	Most Likely
~786	~873

- The volume of SPs in the category 'No Read >4 years' has increased by 15% over the period
- The overall volume of SPs within the Class 3 & 4 category has marginally decreased by 0.41% over the period
- The average associated AQ per SP has decreased by 3%
- It is the increase volume of SPs in the category of 'No Read >4 years' of which has resulted in the increase in VAR



- Risk rating in register remains 5 (Highest Priority)

- **PAFA Recommendation;** PAFA provided an update in respect of LIS strategy to the committee last month. Next refresh point is March 2023

TRANSFER READ PERFORMANCE



- **39% decrease** in Value at Risk across period Mar – Oct '22.

Est VAR – Mar 2022 (GWh)	Est VAR – Oct 2022 (GWh)
Most Likely	Most Likely
~38	~23

- There has been a substantial decrease in VAR since last update, this can be attributed to the following factors:
- The number of SP transfers has dropped by 57% for the equivalent period last year (Mar 21 – Oct 21)
- Transfer read performance has improved by 7% for the equivalent period last year (Mar 21 – Oct 21)
- The volume of accepted Shipper Agreed Readings (SARs) has dropped by 22% for the equivalent period last year (Mar 21 – Oct 21) although a large spike was noted for the month of Oct 22 of which is likely to align with an increase in I&C SP transfer activity



- Risk rating in register amended from 2 (Lower Priority) to 1 (Lowest Priority) as VAR has dropped below 25 GWh
- **PAFA Recommendation:** No further action is proposed at this juncture. Review at next refresh point (March 2023)

PC1 READS



- 25% decrease in Value at Risk over period Dec '21 – Dec '22.

Est VAR – Dec 2021 (GWh)	Est VAR – Dec 2022 (GWh)
Average	Average
~1,252	~936

- Read performance across the year has increased circa 1% (92.1% to 93.8%). In addition the number of sites has increased by 5% (519 to 545) along with site average AQ decreasing by 14% (125TWh to 107TWh) which is reflected in the decrease in energy impact of the risk.



- Risk rating in register remains 5 (Highest Priority).

- **PAFA Recommendation;** No further action is proposed at this juncture due to substantial % decrease in VAR value. Review at next refresh point (April 2023)



PC2 READS



- 4% increase in Value at Risk over period Dec '21 – Dec '22.

Est VAR – Dec 2021 (GWh)	Est VAR – Dec 2022 (GWh)
Average	Average
~403	~419

- Read performance across the year has dropped circa 2.5% (83% to 80.6%). In addition the number of sites has increased by 15% (549 to 631) and the site average AQ has decreased by 21% (17.5TWh to 14TWh) which is reflected in the increase in energy impact of the risk.



- Risk rating in register remains 4 (High Priority).

- **PAFA Recommendation:** No further action is proposed at this juncture due to moderate % increase in VAR value. Review at next refresh point (April 2023)

DM THRESHOLD SITES IN NDM



- 41% decrease in Value at Risk across period Dec '21 – Dec '22.

Est VAR – Dec 2021 (GWh)	Est VAR – Dec 2022 (GWh)
Average	Average
~315	~186

- The count of MPRNs has decreased by 33% (36 to 24) across the time period which is reflective of the decrease in the energy impact of the risk.
- Risk calculation measures both 'Met' and 'Not Met' criteria so gives the 'worst case scenario' impacts.



- Risk rating in register amended from 4 (High Priority) to 3 (Medium Priority) as VAR has dropped below 250 GWh
- **PAFA Recommendation;** No further action is proposed at this juncture due to substantial % decrease in VAR value. Review at next refresh point (January 2024)

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